



## Compelling managed services opportunity for VARs/MSPs

As WLAN management shifts to the cloud, SMBs finally have access to affordable, easy to manage enterprise-grade wireless, without needing experienced wireless engineers on staff. The cloud management model also gives rise to a Wi-Fi as a Service (WaaS) opportunity for MSPs/VARs, enabling them to generate managed services revenue from SMB customers. PowerCloud Systems is a pioneer in enabling WaaS. The company's WLAN solution was designed from the ground up for cloud-based WLAN management, and has the right feature-set for both SMBs and MSPs.

### Mobility is crucial for small business

In 2013, tablets outsold both laptops and desktops, and smartphones outsold all three combined. Even ignoring smartphones, by 2017 desktops will account for a mere 17% of connected computing devices in the workplace. Mobility is as crucial for small businesses as it is in large enterprises. Compass Intelligence's Small Business Owner survey shows SMB owners average three mobile devices each, and 60% of them plan to purchase tablets, not laptops, for employees.

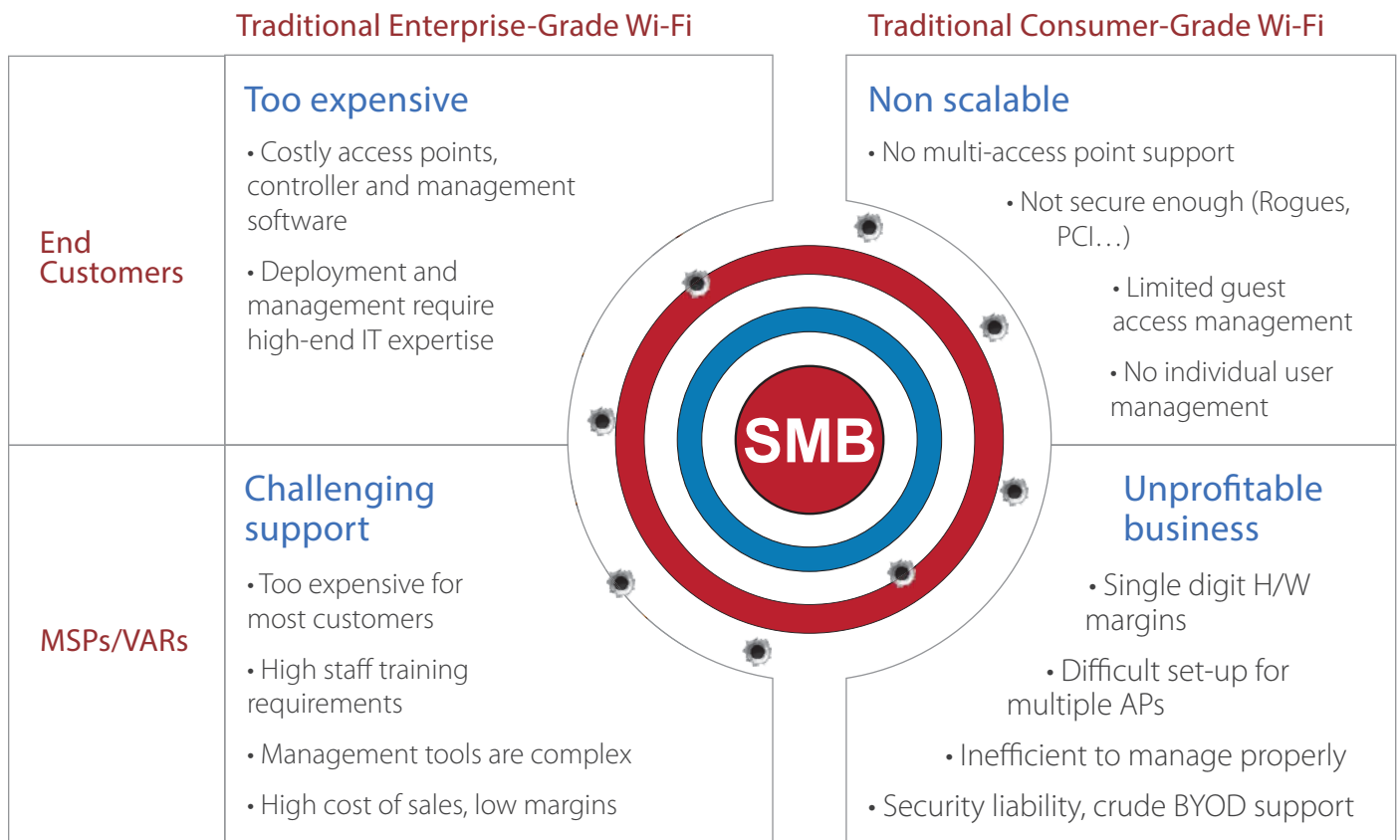
Not surprisingly, the worldwide enterprise Wireless LAN market continues to grow at 14% annually. In North America and Europe most large enterprises already have mature, stable and well managed wireless networks. In fact, they are in the midst of refreshing 802.11abg access points with newer 802.11n and 802.11ac devices. But this is not so for SMBs. According to ABI Research, some 40% of small businesses (5-99 employees) still did not have enterprise-grade Wi-Fi deployed by the end of 2013.

## SMBs struggle with WLAN deployment

Many SMBs struggle with the complexity of WLAN deployment. They face a steep learning curve to deploy and manage a reliable, high performance wireless LAN infrastructure. This is further complicated by the challenges of handling BYOD.

SMBs want the security and manageability of enterprise grade Wi-Fi but without the IT expertise it demands of them. Unfortunately, there is a large gap between enterprise grade and consumer grade access points (APs). In addition to performance and range differences, major gaps exist in how they are managed and in the security, roaming and management features available to them.

While SMBs recognize that cheap, un-coordinated consumer products are inadequate for the myriad of mobile devices now entering the workplace, enterprise-grade gear is overkill. Until now they have had no affordable middle ground.



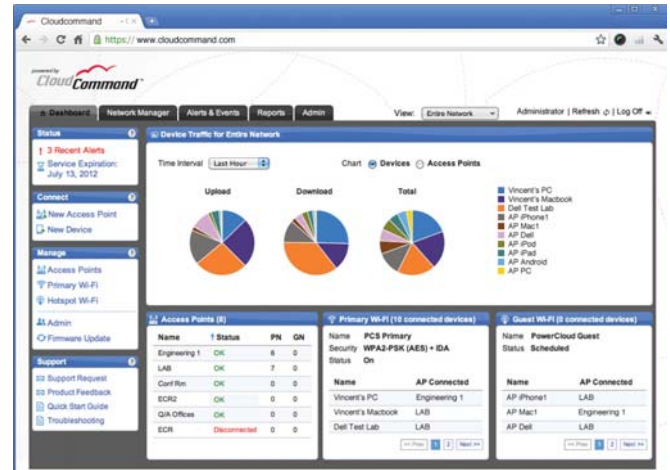
## WLAN Management shifts to the Cloud

Fortunately, in recent years WLAN equipment makers, who until now have been almost exclusively focused on medium to large enterprise, have begun to understand what SMBs really need – simplified management and operation, without sacrificing essential enterprise features. This realization marks a shift from complex WLAN management involving local WLAN controllers and management appliances to a cloud-based management model.

The cloud model moves expensive local network infrastructure to the cloud, requiring only Access Points (APs) at the customer premises. This reduces CAPEX of the wireless LAN, and dramatically simplifies deployment and management of coordinated APs, especially across multiple locations. Plus, it reduces adoption barriers and cost of sales, as SMBs can more easily install a pilot network themselves.

Unlike most WLAN vendors, who have had to re-engineer their solutions for the cloud, PowerCloud Systems architected an enterprise cloud infrastructure from day one. As a result, PowerCloud has many years head start over traditional WLAN equipment vendors, and has honed their solution to have the right feature set for SMB deployments.

- Designed for SMBs
- Practical for MSPs



## Benefits of cloud managed WLANs

**Lower CAPEX and TCO:** Removing the controller from the equation cuts CAPEX 25-30% right away. Removing management servers saves another 15%. Moreover, Total Cost of Ownership drops significantly, as maintenance, deployment and operational costs are no longer incurred.

**Deploy in hours not days:** Cloud-based provisioning allows zero-touch configuration, enabling networks to be deployed more rapidly than before. It also makes it practical to setup temporary Ad-hoc networks for shows, events, and disaster recovery scenarios.

**Enterprise-grade features:** SMBs can now get all the enterprise features they were lacking, including seamless roaming from AP to AP indoors and outdoors, multiple SSIDs for different groups of users, secure guest access, content filtering, walled gardens and branded public hotspots.

**Managed Remotely:** Businesses can manage their Wi-Fi networks at any location from anywhere. This is a great advantage if they do not have SSL VPNs interconnecting their sites. Moreover, management in the cloud makes it practical for third parties to offer wireless as a managed service to SMBs.

**Easy BYOD management:** Addressing the surge in BYOD is a critical requirement. Individual Device Authentication makes it easy for administrators to quickly and securely add users' personal devices, giving employees access to corporate resources, without changing wireless access security keys.

**Powerful Reporting:** With powerful management servers in the cloud, users can obtain comprehensive reports and analytics on user behavior, traffic and utilization patterns, plus immediate alerts and status notifications to mobile devices if anything requires attention.

These combined benefits make the cloud model an extremely attractive proposition for SMBs.

“While many WLAN vendors see the cloud model as a way to cut out the channel, and profiteer from recurring services directly, PowerCloud empowers MSPs to add WLAN management to their managed services portfolio, and share in the recurring revenue opportunity.”

## Is Wi-Fi as a Service really a slam-dunk for SMBs?

Research firm Techaisle forecasts the IT managed services market for SMBs to be growing at 12% CAGR. The larger the business, the more receptive they are to managed services. Other indices support the trend of SMB migration to the cloud and managed services. For example, GrowthMark's 2013 survey of IP communications and cloud services adoption by SMBs, shows that while only 20% of SMBs have switched from TDM-based phone systems to VoIP, of those that have, 60% prefer a hosted PBX solution over in-house IP PBX.

GrowthMark also found that 60% of companies under 50 employees, and 72% of companies with more than 50 employees, intended to adopt IP Communications within the next two years. And companies who use IP Communications are 2.5 to 3 times as likely to use cloud services. With management in the cloud, wireless LANs are ripe for managed Wi-Fi services offerings, targeting the SMB market.

## Managed Wi-Fi services opportunity for VARs/MSPs

Explosive growth of mobile devices in the workplace makes deploying enterprise-grade Wi-Fi an urgent priority for SMBs. With relatively low adoption rates and compelling reasons to purchase, the SMB Wi-Fi market presents an important managed-services opportunity for MSPs and VARs.

Now is the time to add PowerCloud's cloud managed Wi-Fi solutions to your portfolio of managed service offerings. With Wi-Fi as a managed service, your clients can stay focused on their businesses while relying on a utility Wi-Fi infrastructure they don't need to manage themselves.

MSPs can approach the opportunity in two ways: (1) Let the customer purchase APs and provide network and security management as a service; (2) Purchase APs and lease them out as part of the managed service. The second approach is more profitable but requires an investment in APs, with expected ROI in 6-9 months. Complementary services include site survey and Ethernet wiring on the front end, and mobile device management on the back end.

But more importantly, as pointed out in GrowthMark's SMB survey, clients are motivated to buy other managed services from the same vendor once the first service proves successful. Wi-Fi as a Service is the thin-end of the wedge that can drive new clients and open the door for additional managed services opportunities.

## Managed Wi-Fi services deployment examples

### Untangled Solutions:

Managed Services Provider, Untangled Solutions uses PowerCloud to provision a secure mobility infrastructure as an integral part of a suite of managed network services. With CloudCommand it is easy to enforce stringent security and implement BYOD policies without the need for complex policies or network configurations. Plus, in medical practices, they can ensure HIPAA compliance.

At Whitier Christian School, a private school with 17 APs across two locations, they are able to provide detailed usage statistics, prevent students from accessing staff computers and servers, and lock-down student access at certain times of day. They can even create guest hotspots for parents during special events, all from the cloud. *"Offering our clients wireless as a managed service is a win-win." Says Chris Johnson, CEO Untangled Solutions. "We get recurring revenues, and our clients get a secure, optimized mobility infrastructure they don't need to worry about."*

### Uniguest:

Uniguest puts PC kiosks at the concierge desk and business centers of hotels so guests can print boarding passes, use productivity applications and surf the web. But at checkout times there can be a line of people waiting to use them. Plus, many hotels have limited wiring in lobby areas for more than one kiosk.

To increase availability, Uniguest uses PowerCloud's Skydog Unified Service Platform. It allows them to easily put additional wireless kiosks in convenient, aesthetic locations, and simultaneously enable guests to access the service from their own mobile devices. *"We are very excited that Skydog allows us to extend our service to tablets, while preserving the same level of security and ease of use of kiosks"* Says Chas Vinal, Systems Analyst at Uniguest.

Skydog's content filtering keeps mobile users within a "walled garden" showing the airline sites where they can look up their itinerary and print out boarding passes. By restricting web access, users in public areas are prevented from looking at inappropriate content, other guests might accidentally see.

With cloud-based management, Uniguest can deploy, configure and control 100's of installations at different hospitality clients, completely remotely. While a Watch List feature provides analytics on mobile users' airline selections, which Uniguest uses to continually optimize the user experience.

## About PowerCloud Systems

PowerCloud pioneered cloud-powered Wireless Networking as a Service. Our award-winning CloudCommand platform infuses low cost, high performance access points with intelligence from the cloud, enabling the rapid deployment of Wireless networks with the lowest cost of acquisition and management.

PowerCloud Systems solutions are specifically tailored to meet the dynamic needs of mobile Wi-Fi users in environments such as K-12 schools, hotels, retail chains, restaurants, and managed care facilities.

We enable managed service providers to deliver:

- Wi-Fi reliability that meets the growing connectivity demands of small and medium businesses.
- Responsive and efficient support from any internet connected device.
- True Wi-Fi as a Service at the industry's lowest delivered cost.



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